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**FISCAL IMPACT STATEMENT**

**LS 7482**

**BILL NUMBER:** HB 1002

**NOTE PREPARED:** Feb 12, 2013

**BILL AMENDED:** Feb 7, 2013

**SUBJECT:** Indiana Career Council.

**FIRST AUTHOR:** Rep. Bosma

**FIRST SPONSOR:** Sen. Long

**BILL STATUS:** As Passed House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
X FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) The bill establishes the Indiana Career Council (Council) to:

- (1) Align the various participants in the state's education, job skills development, and career training system;
- (2) Match the education and skills training provided by the state's education, job skills development, and career training system with the currently existing and future needs of the state's job market;
- (3) Oversee the Indiana Workforce Intelligence System;
- (4) Submit to the General Assembly by August 1, 2013, and on every August 1<sup>st</sup> thereafter, an inventory of current job and career training activities conducted by state and local agencies and private groups;
- (5) Submit, by July 1, 2014, a strategic plan to the General Assembly to improve the state's education, job skills, and career training system; and
- (6) Submit to the General Assembly by December 1, 2013, a progress report concerning the strategic plan.

The bill provides that Council membership includes:

- (1) The Governor, who serves as chair;
- (2) The Lieutenant Governor, who serves as vice chair;
- (3) The Commissioner of the Department of Workforce Development;
- (4) The Secretary of Commerce;
- (5) The State Superintendent of Public Instruction;
- (6) The Commissioner of the Commission for Higher Education;
- (7) The Secretary of the Family and Social Services Administration;
- (8) The President of Ivy Tech Community College;

- (9) Four members, one each representing manufacturing, the business community, labor, and the life sciences industry, as appointed by the Governor;
- (10) Two members of the House of Representatives appointed by the Speaker; and
- (11) Two members of the Senate appointed by the President Pro Tempore.

The bill also provides that the legislator members are nonvoting advisory members of the council.

The bill establishes the Indiana Workforce Intelligence System (System), a statewide longitudinal data system that contains educational and workforce information to improve the effect of the state's educational delivery system on the economic opportunities of individuals and the state's workforce, and to guide state and local decision makers. It requires the System to generate timely and accurate information that is available to the public about the effectiveness of the state's job training programs. The bill requires the Departments of Education and Workforce Development, the Commission for Higher Education, and other state agencies with relevant information to submit data to the System.

The bill permits the System administrator (the Indiana Career Council) to:

- (1) Receive appropriations, grants, user fees, and other funds to develop and maintain the System; and
- (2) Contract with public or private entities to develop and maintain the system and to conduct research.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** (Revised) *Indiana Career Council* - According to the bill, the Council of 16 members shall meet monthly and will be chaired by the Governor. Council members are eligible for per diem salaries unless the members are also state employees. Per diem amounts for lay members of executive committees are \$50. All Council members are eligible for travel and meeting-related expense reimbursement, as approved by the Budget Agency. Legislators are eligible for per diem salaries and reimbursement according to the rules of the Legislative Council regarding interim study committees.

The Governor may choose staff from any state agency or agencies to provide assistance to the Council. These staff will be responsible for assisting the Council in the submission of reports to the General Assembly. These reports consist of an annual job assistance and training report due on August 1<sup>st</sup> each year (beginning on August 1, 2013), a report by December 1, 2013, on the progress of the development of a strategic plan, and a final strategic plan due no later than July 1, 2014.

(Revised) *Indiana Workforce Intelligence System* - The Council will incur costs to create and maintain the System. These costs will include costs associated with the bill's requirement that the System include safeguards intended to protect personally identifiable information, audit costs, data collection, research, and reporting. It may be necessary to hire staff or other experts (public or private sector), purchase IT systems and equipment, and other activities, as deemed necessary by the Council. Additional expenses will be incurred in relation to making information available to the public in regards to the effectiveness of the state's job training programs. The amount of these costs will depend upon policy decisions made by the Council.

*Costs to Participating State Agencies* - The Department of Workforce Development, the Commission for Higher Education, and the state Department of Education must submit relevant data (as defined by the Council) to the System. The bill's requirements should be within these agencies' routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

**Explanation of State Revenues:** The Council will fund its activities, as well as the implementation and maintenance of the System, through appropriations by the General Assembly, grants, or other assistance from educational agencies or institutions of higher education, federal grants, user fees, and other grants or amounts received from public or private entities.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Workforce Development; Indiana Economic Development Corporation; Commission for Higher Education; Department of Education; Family and Social Services Administration.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Stephanie Wells, 232-9866.